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December 7, 2010

Robert E. Scully, Jr.
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VIA ELECTRONIC AND OVERNIGHT MAIL

The Honorable Robert E. Payne
Spottswood W. Robinson III and Robert R. Merhige, Jr., Federal Courthouse
701 East Broad Street
Richmond, VA 23219

RE: ***Sunbeam Products, Inc. d/b/a Jarden Consumer Solutions v. Hamilton Beach Brands, Inc., et al.,***
Case No. 3:09-cv-791 REP
U.S. District Court, Eastern District of Virginia, Richmond Division.

Dear Judge Payne:

Please accept this letter as a written certification by counsel for Sunbeam Products, Inc., ("Sunbeam") and Homeland Housewares, LLC and Alchemy Worldwide LLC ("Homeland") that the parties are currently engaged in good-faith settlement negotiations that have reached an advanced stage.

On Friday, December 3, 2010, the parties participated in an extended videoconference. During that videoconference, their respective authorized corporate representatives reached an "agreement in principle" regarding the key payment terms which will form the basis of a settlement of the claims at issue in this litigation. Although several additional terms and conditions are still under discussion and a final settlement is conditioned upon the execution of a complete integrated written settlement agreement, the parties believe they will succeed in reducing an agreement to a final, complete, written, form and have it executed by December 10, 2010.

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Consequently, the parties have agreed as provided in the recently entered Stipulation not to take depositions this week in the hope and expectation that the outcome of the ongoing negotiations will be the compromise and settlement of this case.

Very truly yours,

/s/ Robert E. Scully, Jr.
Robert E. Scully, Jr.
Stites & Harbison PLLC
Counsel for Defendants Homeland Housewares LLC and Alchemy Worldwide LLC

/s/ Boyd Cloern
Boyd Cloern
Bingham McCutchen
Counsel for Plaintiff, Sunbeam Products Inc. d/b/a Jarden Consumer Solutions

RES/cgh

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